

# Exhibit 6

## Pay TV Companies, and the DOJ, Push Back on Big 'Spulu' Sports Streaming Joint Venture

[nexttv.com/news/pay-tv-companies-privately-push-back-on-big-spulu-sports-streaming-joint-venture](http://nexttv.com/news/pay-tv-companies-privately-push-back-on-big-spulu-sports-streaming-joint-venture)

### 1. News

The new service would seem to run right up against so-called 'most-favored-nation' agreements with operators, who have been clamoring for similar kinds of skinny bundles for decades



(Image credit: Disney/WBD/Fox)

Leading pay TV distributors have begun to privately complain to top executives at The Walt Disney Co., Fox and Warner Bros. Discovery regarding the fairness of the media companies' [new joint streaming venture, CNBC reports](#).

A rep for a leading operator told *Next TV* Thursday morning that pay TV companies are still in the early stages of assessing the new service. But there do appear to be early concerns.

The operator consternation comes amid a separate report, from Bloomberg, indicating that the [U.S. Department of Justice intends to look into the new JV](#) for possible antitrust issues. (More on that further down.)

"The distributors have been begging for the right to offer cheaper and skinnier bundles, especially bundles that would segregate expensive sports from cheaper non-sports programming, for at least two decades, and they've been met with a brick wall," said analyst

Craig Moffett, summing up the gist of the gripes to CNBC. “At the very least, this would seem to violate the most favored nation clauses that prohibit the programmers from offering better terms and conditions to another distributor, even if that distributor is a JV [joint venture] of the programmers themselves. I would be surprised if there aren’t some lawsuits.”

### **Also Read: [Top NFL Execs Reportedly Furious at Disney, Fox and WBD About ‘Being Left in the Dark’ About New Joint Streaming Venture](#)**

The new service, announced on February 6, would bundle live streaming feeds of linear channels including ESPN, ESPN2, ESPNU, SECN, ACCN, ESPNEWS, ABC, FOX, FS1, FS2, BTN, TNT, TBS and truTV.

For years, leading pay TV operators have been clamoring for the flexibility to create leaner, less expensive channel bundles focused to narrower niches (sports fans and non-sports-consuming entertainment lovers, to start). The dissonance of programming suppliers is starting to wear thin amid cord-cutting, evidenced by Charter Communications’ announcement of an [inexpensive sports-free bundle](#) last summer.

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But for the most part, operators are still leveraged to package all or most of programmers' channels in their most popular tiers.

However, as Moffett noted, so-called “most favored nation” clauses protect operators from signing a licensing deal with a programmer only to see a rival distributor get a much better deal down the road.

Would this mean that leading operators including Comcast, Charter, DirecTV, Dish Network and YouTube TV could offer the same skinny bundles at similar price points?

Certainly, a lot of questions about the new service still have to be answered, including what it will cost and even what it will be called (although the unofficial moniker “Spulu” has picked up steam on the social internet this week).

My latest @PuckNews is about “Spulu” and how rearranging deck chairs doesn’t do anything to address the audiences of tomorrow. Or today. Before asking why it’s needed, ask who it’s serving. ESPN OTT seems like it asks that; Spulu barely extends a runway. <https://t.co/OcdqxOzjPw> February 14, 2024

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Notably, Disney, Fox and WBD **put language in their announcement** last week, conceding that a lot still has to be hashed out with their respective constituents and partners: “The formation of the pay service is subject to the negotiation of definitive agreements amongst the parties. The offering, scheduled to launch in the fall of 2024, would be made available directly to consumers via a new app. Subscribers would also have the ability to bundle the product, including with Disney+, Hulu and/or Max.”

Charter's much-discussed **new program licensing deal with Disney**, carved out in September, might provide a blueprint for operators merely reselling the joint venture's bundle. Cable operators like Charter and Comcast, which prioritize high-speed broadband, now view video as a means to supporting that business.

As CNBC noted, however, the economics might be different for DirecTV, which is not supporting, directly anyway, a high-speed internet business.

As for the reported Justice Department investigation, the American Cable Association released this supportive statement on Thursday: “ACA Connects is pleased to see published reports that the Department of Justice plans to investigate this sports streaming juggernaut. This is exactly what should happen. It’s anticompetitive for the biggest media players to join forces while locking out traditional linear video providers, including our Members from offering the same packages at the same prices. Fans deserve a level playing field in the sports media landscape without the threat of these giants controlling the marketplace and jacking up prices.”



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